

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2005

	October-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Quarter	Net ROR	Fiscal YTD	FY05	Ended	Ended
		Actual	Policy				Net ROR				6/30/2005	6/30/2005
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	2,069,406	5.0%	5.1%	-1.82%	2,197,481	5.3%	5.1%	5.64%	3.71%	8.17%	N/A	N/A
Total Structured Growth	2,069,406	5.0%	5.1%	-1.82%	2,197,481	5.3%	5.1%	5.64%	3.71%	8.17%	10.17%	-9.06%
Russell 1000 Growth				-0.97%				4.01%	3.00%	1.67%	7.72%	-10.13%
<i>Structured Value</i>												
LSV	2,126,803	5.2%	5.1%	-2.36%	2,183,339	5.3%	5.1%	4.82%	2.35%	18.24%	9.07%	11.44%
Russell 1000 Value				-2.54%				3.88%	1.25%	14.06%	6.67%	2.79%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	2,834,370	6.9%	6.9%	-2.07%	2,949,694	7.1%	6.9%	6.85%	4.64%	7.39%	7.84%	N/A
Russell 1000				-1.75%				3.95%	2.12%	7.92%	7.20%	N/A
<i>Enhanced S&P 500 Index</i>												
Northern Trust	2,823,005	6.9%	6.9%	-1.59%	2,875,844	6.9%	6.9%	3.81%	2.16%	6.02%	6.83%	N/A
Westridge	2,814,224	6.9%	6.9%	-1.68%	2,869,302	6.9%	6.9%	3.65%	1.91%	6.66%	6.93%	N/A
Total Enhanced S&P 500 Index	5,637,229	13.8%	13.7%	-1.64%	5,745,146	13.8%	13.7%	3.73%	2.03%	6.26%	7.40%	N/A
S&P 500				-1.67%				3.60%	1.88%	6.32%	6.75%	N/A
<i>S&P 500 Index</i>												
State Street	1,411,691	3.4%	3.4%	-1.67%	1,439,516	3.5%	3.4%	3.61%	1.88%	6.34%	6.76%	-3.17%
S&P 500				-1.67%				3.60%	1.88%	6.32%	6.75%	-3.20%
TOTAL LARGE CAP DOMESTIC EQUITY	14,079,499	34.4%	34.3%	-1.87%	14,515,177	34.9%	34.3%	4.78%	2.83%	8.65%	7.55%	-1.82%
S&P 500				-1.67%				3.60%	1.88%	6.32%	6.75%	-3.20%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	4,410,636	10.8%	10.7%	-3.73%	4,580,471	11.0%	10.7%	5.48%	1.54%	9.36%	10.87%	N/A
Russell 2000 + 200bp				-2.94%				5.21%	2.12%	11.64%	11.70%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	4,410,636	10.8%	10.7%	-3.73%	4,580,471	11.0%	10.7%	5.48%	1.54%	9.36%	10.87%	4.08%
Russell 2000				-3.11%				4.69%	1.44%	9.45%	9.99%	4.11%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	132,168	0.3%	0.3%	-2.98%	136,195	0.3%	0.3%	10.65%	7.36%	7.68%	7.20%	-2.25%
MSCI EAFE (1)				-2.92%				10.38%	7.15%	9.59%	6.49%	-3.29%
<i>Large Cap - Active</i>												
Capital Guardian	403,276	1.0%	0.9%	-1.30%	407,620	1.0%	0.9%	11.82%	10.37%	11.23%	7.08%	-3.17%
LSV	393,861	1.0%	0.9%	-2.87%	405,624	1.0%	0.9%	11.55%	8.34%	N/A	N/A	N/A
Bank of Ireland	128,234	0.3%	0.3%	-2.30%	131,150	0.3%	0.3%	6.99%	4.53%	12.20%	N/A	N/A
Total Large Cap - Active	925,371	2.3%	2.1%	-2.11%	944,394	2.3%	2.1%	11.02%	8.67%	13.74%	6.51%	-3.26%
MSCI EAFE - 50% Hedged				-2.34%				11.07%	8.47%	14.41%	6.93%	-3.05%
<i>Small Cap - Active</i>												
Lazard	128,780	0.3%	0.3%	-4.16%	134,246	0.3%	0.3%	9.65%	5.08%	19.82%	N/A	N/A
Wellington	128,738	0.3%	0.3%	-2.37%	131,822	0.3%	0.3%	8.08%	5.52%	12.00%	N/A	N/A
Total Small Cap - Active	257,517	0.6%	0.6%	-3.28%	266,068	0.6%	0.6%	8.88%	5.31%	15.90%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-2.00%				12.05%	9.81%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,315,056	3.2%	3.0%	-2.42%	1,346,657	3.2%	3.0%	10.56%	7.88%	13.12%	8.55%	-1.45%
MSCI EAFE - 50% Hedged				-2.34%				11.07%	8.47%	14.41%	6.93%	-3.05%
EMERGING MARKETS EQUITY												
<i>Core</i>												
Capital Guardian	370,997	0.9%	0.8%	-4.81%	534,210	1.3%	1.1%	16.25%	10.66%	33.94%	14.89%	0.22%
UBS	174,822	0.4%	0.5%	-5.98%	185,941	0.4%	0.4%	N/A	N/A	N/A	N/A	N/A
Total Core	545,819	1.3%	1.2%	-5.11%	720,152	1.7%	1.5%	17.05%	11.07%	33.94%	14.89%	0.22%
<i>MSCI Emerging Markets Free</i>												
<i>Small Cap</i>												
DFA	114,978	0.3%	0.3%	-2.21%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>MSCI Emerging Markets Free</i>												
TOTAL EMERGING MARKETS EQUITY	660,797	1.6%	1.5%	-4.92%	720,152	1.7%	1.5%	17.05%	11.29%	33.94%	14.89%	0.22%
MSCI Emerging Markets Free				-6.53%				18.11%	10.40%	34.89%	16.38%	3.41%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	1,624,192	4.0%	3.6%	-1.11%	1,580,068	3.8%	4.0%	-0.48%	-1.59%	7.25%	4.43%	7.05%
Lehman Aggregate				-0.79%				-0.67%	-1.46%	6.80%	2.95%	5.68%
<i>Index</i>												
Bank of ND	3,652,026	8.9%	10.0%	-0.74%	3,248,692	7.8%	8.8%	-0.93%	-1.67%	7.23%	3.09%	5.92%
Bank of ND Match Loan CD Program	-	0.0%	0.0%	0.14%	508,143	1.2%	1.2%	1.28%	1.42%	5.08%	4.09%	4.79%
Total Index	3,652,026	8.9%	10.0%	-0.56%	3,756,835	9.0%	10.0%	-0.43%	-0.99%	6.91%	3.21%	5.77%
Lehman Gov/Credit				-0.86%				-0.96%	-1.81%	7.26%	3.32%	5.82%
<i>Convertibles</i>												
TCW	1,649,451	4.0%	3.9%	-0.97%	1,599,139	3.8%	3.9%	2.95%	1.95%	-0.23%	9.52%	-2.20%
Merrill Lynch All Convertibles				-2.12%				4.15%	1.94%	0.66%	10.40%	0.76%

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		Actual	Policy			Actual	Policy		Net ROR	Net ROR	6/30/2005	6/30/2005
											Net	Net
BBB Average Quality												
Wells Capital	1,602,902	3.9%	3.6%	-1.11%	1,558,632	3.8%	4.0%	-0.82%	-1.92%	12.04%	4.49%	5.95%
<i>Lehman BBB</i>				-1.29%				-0.97%	-2.24%	8.60%	5.40%	5.61%
Private Debt												
Prudential	1,808,039	4.4%	4.4%	-0.74%	1,547,831	3.7%	3.7%	-0.27%	-1.01%	N/A	N/A	N/A
<i>Lehman Aggregate</i>				-0.79%					-1.46%	N/A	N/A	N/A
Timberland												
RMK	1,579,841	3.9%	3.9%	-6.10%	1,691,648	4.1%	4.1%	-0.24%	-6.33%	14.50%	5.19%	N/A
TIR	4,364,667	10.7%	10.7%	3.25%	4,252,495	10.2%	10.2%	-0.09%	3.15%	N/A	N/A	N/A
Total Timberland	5,944,508	14.5%	14.5%	0.59%	5,944,143	14.3%	14.3%	-0.13%	0.45%	44.29%	7.67%	N/A
<i>NCREIF Timberland Index</i>				0.32%					1.27%	14.07%	3.13%	N/A
TOTAL DOMESTIC FIXED INCOME	16,281,119	39.7%	40.0%	-0.32%	15,986,648	38.5%	40.0%	-0.09%	-0.40%	19.23%	5.32%	5.07%
<i>Lehman Aggregate</i>				-0.79%				-0.67%	-1.46%	6.80%	2.95%	5.68%
HIGH YIELD BONDS												
Loomis Sayles	722,038	1.8%	1.8%	-1.21%	730,191	1.8%	1.8%	1.24%	0.01%	15.96%	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				-0.89%				0.99%	0.09%	10.83%	N/A	N/A
Sutter/Wells Capital	716,677	1.7%	1.8%	-0.30%	719,462	1.7%	1.8%	0.31%	0.01%	9.62%	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				-0.89%				0.99%	0.09%	10.63%	N/A	N/A
TOTAL HIGH YIELD BONDS	1,438,715	3.5%	3.5%	-0.76%	1,449,653	3.5%	3.5%	0.77%	0.00%	12.76%	8.94%	3.01%
<i>Lehman High Yield Bond Index</i>				-0.89%				0.99%	0.09%	10.86%	10.67%	5.29%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	366,410	0.9%	1.0%	-2.12%	377,538	0.9%	1.0%	-1.08%	-3.18%	7.92%	7.27%	5.91%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-2.09%				-1.24%	-3.30%	7.75%	7.05%	5.61%
International Core												
Brandywine	381,308	0.9%	1.0%	-1.49%	383,667	0.9%	1.0%	0.80%	-0.70%	11.78%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-1.93%				-0.86%	-2.77%	8.10%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	747,718	1.8%	2.0%	-1.80%	761,205	1.8%	2.0%	-0.15%	-1.95%	9.84%	7.92%	6.30%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-2.09%				-1.24%	-3.30%	7.75%	7.05%	5.61%
REAL ESTATE												
INVESCO	644,857	1.6%	1.5%	0.00%	644,857	1.6%	1.5%	7.19%	7.19%	N/A	N/A	N/A
J.P. Morgan	646,470	1.6%	1.5%	1.17%	638,969	1.5%	1.5%	6.33%	7.58%	19.52%	8.82%	8.14%
TOTAL REAL ESTATE	1,291,327	3.2%	3.0%	0.58%	1,283,826	3.1%	3.0%	6.76%	7.38%	19.52%	8.82%	8.14%
<i>NCREIF TOTAL INDEX</i>				1.46%				4.44%	5.96%	18.02%	8.12%	8.45%
ALTERNATIVE INVESTMENTS												
Coral Partners V	24,881			0.00%	25,142			0.01%	0.01%	-18.97%	-18.86%	-19.31%
Coral Partners V - Supplemental	2,966			0.00%	3,072			-7.36%	-7.36%	-6.85%	-4.69%	N/A
Coral Partners VI	29,132			0.00%	24,640			-1.55%	-1.55%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	7,448			0.00%	7,633			3.17%	3.17%	19.64%	-1.27%	-4.69%
Brinson 1999 Partnership Fund	14,531			0.00%	14,894			2.44%	2.44%	9.31%	-0.57%	-5.94%
Brinson 2000 Partnership Fund	29,648			0.00%	30,388			6.45%	6.45%	14.97%	0.60%	-2.31%
Brinson 2001 Partnership Fund	17,526			0.00%	17,963			3.91%	3.91%	4.00%	1.38%	N/A
Brinson 2002 Partnership Fund	10,954			0.00%	11,227			3.47%	3.47%	-4.22%	8.90%	N/A
Brinson 2003 Partnership Fund	2,649			0.00%	2,234			7.59%	7.59%	1.71%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	6,596			0.00%	6,761			-5.55%	-5.55%	32.09%	8.96%	4.08%
Brinson 2000 Non-US Partnership Fund	9,109			0.00%	9,336			-0.69%	-0.69%	15.57%	7.86%	1.75%
Brinson 2001 Non-US Partnership Fund	9,988			0.00%	10,238			9.11%	9.11%	9.19%	8.22%	N/A
Brinson 2002 Non-US Partnership Fund	11,842			0.00%	12,138			-0.04%	-0.04%	12.60%	7.71%	N/A
Brinson 2003 Non-US Partnership Fund	6,571			0.00%	6,735			0.61%	0.61%	2.52%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	1,718			0.00%	1,761			4.09%	4.09%	0.42%	N/A	N/A
Brinson BVCF IV	43,273			0.00%	40,777			10.29%	10.29%	6.06%	4.49%	-6.48%
Matlin Patterson Global Opportunities	42,040			0.00%	43,089			-8.79%	-8.79%	102.75%	N/A	N/A
Matlin Patterson Global Opportunities II	35,949			0.00%	36,845			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	11,424			0.00%	11,709			0.00%	0.00%	-18.88%	-6.88%	N/A
Hearthstone MSII	0			0.00%	1,850			0.00%	0.00%	1214.92%	18.39%	13.51%
Hearthstone MSIII	38,368			0.00%	33,669			4.53%	4.53%	16.51%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	356,613	0.9%	1.0%	0.00%	352,099	0.8%	1.0%	1.64%	1.64%	17.54%	3.01%	-3.42%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	400,074	1.0%	1.0%	0.31%	553,273	1.3%	1.0%	0.89%	1.20%	2.19%	1.49%	2.52%
<i>90 Day T-Bill</i>				0.26%				0.83%	1.09%	2.15%	1.20%	2.41%
TOTAL FUND	40,981,554	100.0%	100.0%	-1.39%	41,549,160	100.0%	100.0%	3.06%	1.63%	13.81%	11.53%	4.95%
POLICY TARGET BENCHMARK				-1.44%				2.18%	0.71%	8.15%	8.59%	3.87%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.